

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL MEMORANDUM

HB 2175 – SB 2196

May 28, 2009

SUMMARY OF AMENDMENTS (007948, 009157): Amendment 007948 deletes the language of the original bill. Authorizes the assessor of property and the local and state boards of equalization to recognize the impact of foreclosed properties when valuing properties for property tax purposes. This bill is applicable only in Shelby County. Amendment 009157 adds a severability clause.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease Local Revenue – Net Impact – Exceeds \$50,000

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

MINIMAL

Assumptions applied to amendments:

- According to the Comptroller, this legislation violates Article 2, Section 28 of the Tennessee Constitution, which states, “the ratio of assessment to value of property in each class or subclass shall be equal and uniform throughout the State.”
- The certified tax rate would be adjusted to account for any adjustments made to property assessments as a result of recognizing foreclosure sales. The total amount of property taxes assessed will not change as a result of this legislation.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

HB 2175 – SB 2196

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/kmc